

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

September 25, 2009

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 09KD-100

Kauai

Cancellation of Governor's Executive Order No. 4261 to Hawaii Housing Finance and Development Corporation for Future Housing and Housing-Related Development Purposes, Hanapepe, Waimea, Kauai, Tax Map Key: (4) 1-9-009: 06, 07, 08, 09 and 1-9-010: 03.

APPLICANT:

Hawaii Housing Finance and Development Corporation (HHFDC)

LEGAL REFERENCE:

Section 171-11, Hawaii Revised Statutes, as amended.

LOCATION:

TMK: (4) 1-9-009: 06, 07, 08, & 09

Portion of Government lands of Hanapepe situated at Hanapepe, Waimea, Kauai, as shown on the attached map labeled Exhibit A.

TMK: (4) 1-9-1-010: 03

Portion of Government lands of Hanapepe situated at Hanapepe, Waimea, Kauai, as shown on the attached map labeled Exhibit B

AREA:

TMK: (4) 1-9-009: 06 = 7017 Sq.Ft.

(4) 1-9-009: 07 = 6451 Sq.Ft.

(4) 1-9-009: 08 = 6172 Sq.Ft.

(4) 1-9-009: 09 = 6831 Sq.Ft.

TMK: (4) 1-9-010: 03 = 16,792 Sq.Ft.

ZONING:

State Land Use District: Urban (All Parcels)
County of Kauai CZO: Open (All Parcels)

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State
Constitution: NO

CURRENT USE STATUS:

Governor's Executive Order No. 4261 to Hawaii Housing Finance and
Development Corporation for Future Housing and Housing-Related
Development purposes.

PURPOSE:

Not Applicable.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

Not Applicable.

REMARKS:

The Board at its May 23, 2008 meeting, under agenda Item D-2 approved to recommend to the Governor the set-aside of five parcels on Kauai to the Hawaii Housing Finance and Development Corporation for Future Housing and Housing-Related Development Purposes. The Governor on January 23, 2009 signed Executive Order No. 4261. As background, the Governor signed Act 179, Session Laws Hawaii 2006, to implement several of the recommendations of the joint legislative housing and homeless task force. Section 5 states: the department of land and natural resources shall initiate transfer to the Hawaii housing finance and development administration, no later than December 1, 2006, of the lands identified as suitable for affordable housing development in Appendix F of the Joint Legislative Housing and Homeless Task Force Report to the 2006 Session of the Legislature. Unfortunately, the properties were not acceptable to HHFDC development criteria. As a result staff has been working with HHFDC staff to identify State lands (on a Statewide basis) available for affordable housing development. HHFDC staff has traveled to the outer islands to visit numerous State lands with Land Division staff.

Recently, by letter dated July 17, 2009, Ms. Karen Seddon, Executive Director for Hawaii Housing Finance and Development Corporation, is requesting the cancellation of Governor's Executive Order 4261. In May 2008, HHFDC issued a Request for Proposal (RFP) for the development of affordable units on the five parcels. In August 2008, HHFDC received two proposals. In October 2008, Kauai Habitat for Humanity was selected. In November 2008, HHFDC's Board of Directors approved to execute a Development Agreement and Conveyance. In June 2009, Kauai Habitat for Humanity issued a letter to HHFDC that they were not prepared to risk the funds in order to make the lots ready to build. HHFDC is not pursuing development of these parcels and is requesting they be returned to


DLNR.

RECOMMENDATION: That the Board:


1. Approve of and recommend to the Governor issuance of an executive order canceling Governor's Executive Order No. 4261, subject to:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



 Tommy Oi
Kauai District Land Agent

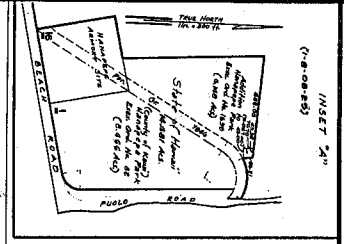
APPROVED FOR SUBMITTAL:



Laura H. Thiele, Chairperson



Dwg. No. 2241
Source: Taxation Maps Bureau
Date: H.M. I.K.M. # 400 Sept 1936



INSE
71-0-00-2031

Addition to Hanespe Park
(G. 204 Ac)
Exec. Ord. No. 1639

SEE INSERT "A"

BEACH

PLAT 08	HAWAII	BEACH	LOTS
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ROAD

LOTS

SUBJECT TO CHANGE

PLAT 00

PLAT

RIVER

PROJECT
LOCATION

State of Hawaii
(County of Kauai)
12.681 Ac.
GOVERNOR'S EXEC ORDER
HANAPEPE F
(0.955 Ac.)

ROAD

PLAT 1

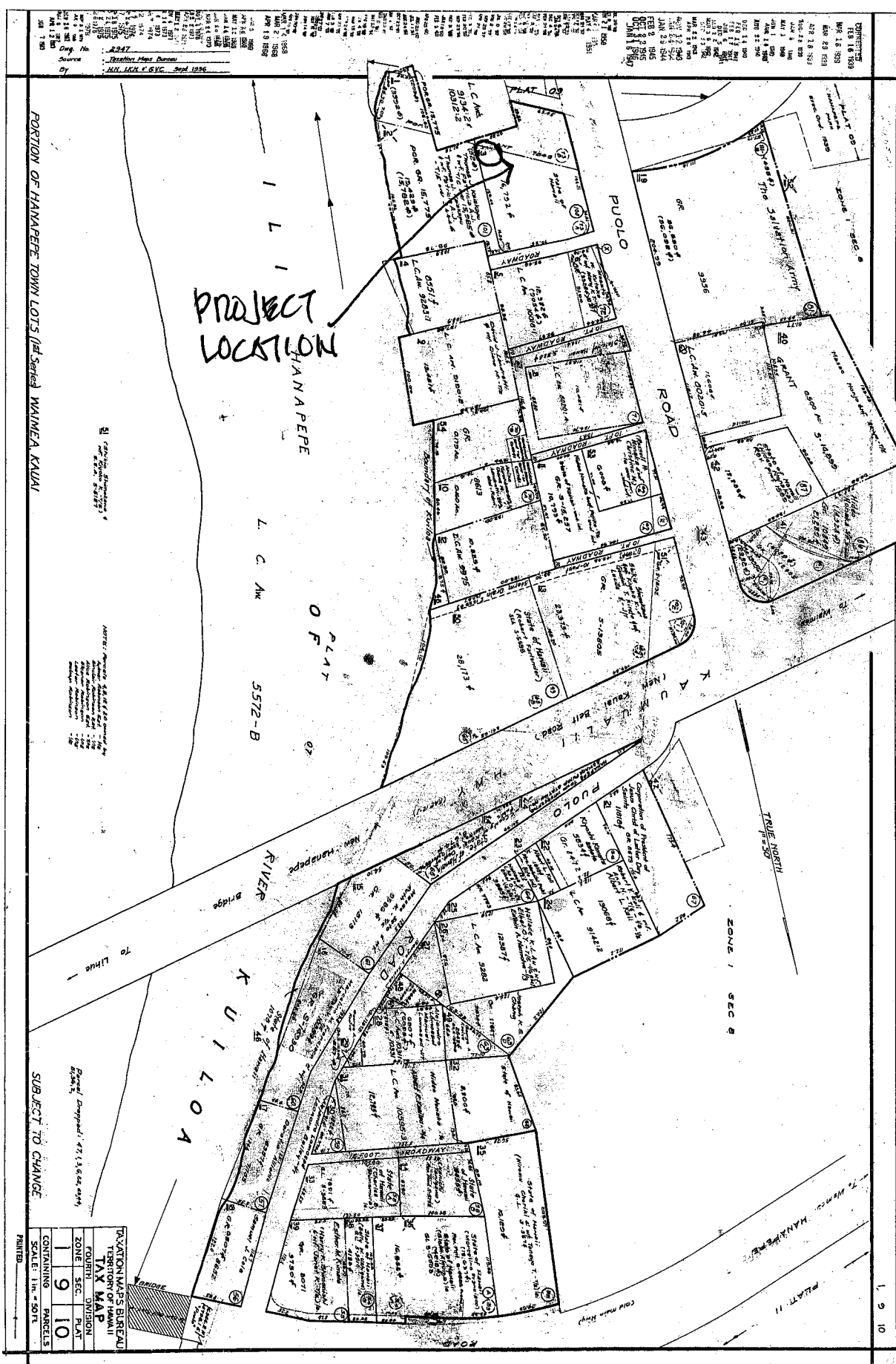
NOTE: All lots owned by State of Hawaii
unless otherwise noted.

Parcels Dropped: 14, 15, 19.

TAXATION MAPS BUREAU			
TERRITORY OF HAWAII			
TAX MAP			
FOURTH		DIVISION	
ZONE	SEC.	PLAT	
1	9	09	
CONTAINING		PARCELS	

PRINTED

EXHIBIT "A"



Date: 10/1/59
 Source: 10/1/59
 By: 10/1/59

PORTION OF HANALEI TOWN LOTS (1st Series) MAUNALOA, KAUAI

L.C. No. 5572-B
 5572-B

SUBJECT TO CHANGE

TAX MAP	
ZONE	SEC.
1	9
10	10

EXHIBIT "B"

65127

LINDA LINGLE
GOVERNOR



KAREN SEDDON
EXECUTIVE DIRECTOR

RECEIVED
LAND DIVISION

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

677 QUEEN STREET, SUITE 300
HONOLULU, HAWAII 96813
FAX: (808) 587-0600

2009 JUL 21 3:18 PM
IN REPLY REFER TO:
09:DEV/129

DEPT. OF LAND &
NATURAL RESOURCES
STATE OF HAWAII

July 17, 2009

To: Laura H. Thielen, Chairperson
Board of Land and Natural Resources

From: Karen Seddon, Executive Director *[Signature]*

Subject: Request to Cancel Set Aside of DLNR Properties to the HHFDC
TMKs: (4) 1-9-009: 06 to 09 and (4) 1-9-010: 03, Hanapepe, Kauai, Hawaii

The Hawaii Housing Finance and Development Corporation (HHFDC) respectfully requests to cancel the "set-aside" that was granted thru Governor's Executive Order No. 4261 on January 23, 2009, of the below-mentioned five (5) parcels (Exhibit "A") to HHFDC for future housing and housing related development:

1. **Location #1: Four (4) parcels on Puolo Road in Hanapepe, Kauai, Hawaii.**
Tax Map Key #s: (4) 1-9-009: 06, 07, 08, & 09
2. **Location #2: One (1) parcel on Puolo Road in Hanapepe, Kauai, Hawaii.**
Tax Map Key #: (4) 1-9-010: 03

Per our memo dated April 4, 2008, (Exhibit "B") if the Board of Land and Natural Resources (BLNR) granted HHFDC the requested set-aside for these properties and the HHFDC does not receive an acceptable development proposal from a developer for any of these parcels, HHFDC then will be able to return such parcels to the DLNR by requesting a cancellation of the set-aside.

In May 2008, HHFDC issued a Request for Proposal (RFP) for the development of affordable units on five (5) parcels listed above. In August 2008, HHFDC received two proposals. In October 2008, the selection committee reviewed the proposals and based on RFP criteria, selected Kauai Habitat for Humanity. A For Action was presented to HHFDC's board of directors on November 13, 2008 to execute a Development Agreement and Conveyance of above lots with Kauai Habitat for Humanity. On June 18, 2009, Kauai Habitat for Humanity issued a letter to HHFDC that they were not prepared to risk the funds in order to make the lots ready to build.

PH132:36

EXHIBIT "C" *[Signature]*

JUL 25 '09
DLNR KOLD RCV

Laura H. Thielen
July 17, 2009
Page 2

On behalf of the HHFDC, I would like to thank the members of your staff for working closely with my staff to identify potentially developable properties and for your assistance in helping to alleviate the affordable housing crisis in the State of Hawaii. Furthermore, HHFDC is looking forward to continued discussions with your staff and identifying additional parcels throughout the State that are suitable for housing development.

Please feel free to contact me at 587-0641 or Beth Malvestiti, Project Coordinator; at 587-0546 should you have any questions.



On the
 Source
 by
 2081
 Nathan Mark Bureau
 M. H. & C. Sept 1976

[illegible]

State of Hawaii
(County of Kauai)
12.08/12.

GOVERNOR'S EXEC ORD.
HANALEI PARK
(12.08.12)

TRANSMISSION LINE
C5MT 6250547

SUBJECT TO CHANGE

Parcels Dropped: 10, 15, 19.

TAXATION MAP'S BUREAU TERRITORY OF HAWAII			
TAX MAP			
FOURTH DIVISION			
ZONE	SEC.	PLAT	
1	9	09	
CONTAINING			PARCELS
SCALE: 1 in. = 50 ft.			
PRINTED			



STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

677 QUEEN STREET, SUITE 300
HONOLULU, HAWAII 96813
FAX: (808) 587-0600

April 4, 2008

IN REPLY REFER TO:

08:DEV/103

To: Laura H. Thielen, Chairperson
Board of Land and Natural Resources

From: Orlando "Dan" Davidson, Executive Director

Subject: Request for Set Aside of DLNR Properties to the HHFDC
TMKs: (4) 1-9-009: 06 to 09 and (4) 1-9-010: 03, Hanapepe, Kauai, Hawaii
TMKs: (3) 2-4-020: 002, 003, 005, 006 & 054; (3) 2-4-024: 157 and
(3) 2-4-026: 045, Hilo, Hawaii

Thanks to a coordinated effort with your Department of Land and Natural Resources (DLNR) staff, the Hawaii Housing Finance and Development Corporation (HHFDC) development team was able to identify the following twelve (12) parcels presently held within the DLNR's portfolio of properties that HHFDC would like to develop:

1. **Location #1: Four (4) parcels on Puolo Road in Hanapepe, Kauai, Hawaii.**
Tax Map Key #s: (4) 1-9-009: 06, 07, 08, & 09
2. **Location #2: One (1) parcel on Puolo Road in Hanapepe, Kauai, Hawaii.**
Tax Map Key #: (4) 1-9-010: 03
3. **Location #3: Seven (7) parcels in Hilo, Hawaii.**
Tax Map Key #: (3) 2-4-020: 002,
(3) 2-4-020: 003,
(3) 2-4-020: 005,
(3) 2-4-020: 006,
(3) 2-4-020: 054,
(3) 2-4-024: 157, and
(3) 2-4-026: 045

The HHFDC respectfully requests a "set-aside" of the above-mentioned five (5) parcels to HHFDC for future housing and housing related development. Per our development team's conversations with DLNR Land Administration staff, it is our understanding that should the Board of Land and Natural Resources (BLNR) grant HHFDC the requested set-aside for these properties and the HHFDC does not receive an acceptable development proposal from a developer for any of these parcels, HHFDC then will be able to return such parcels to the DLNR by requesting a cancellation of the set-aside.

EXHIBIT "B"